

Washington, D.C. - Reps. Melissa Bean (IL-08) and Ed Royce (CA-40), authors of the National Insurance Act, commended Subcommittee Chairman Paul Kanjorski's plan to establish an Office of Insurance Information (OII) as a vital step toward providing a modern regulatory alternative to the antiquated and patchwork system of state insurance regulation.

Kanjorski, chair of the Financial Services Committee's Subcommittee on Capital Markets, Insurance and Government Sponsored Enterprises, said the OII would have the authority to address international insurance policy issues and coordinate state insurance regulators' response to those issues, and would serve as a voice on insurance policy at the Treasury Department.

Kanjorski's announcement follows the release of the Treasury Department's Blueprint for a Modernized Financial Regulatory Structure, the Schumer/Bloomberg report on financial services leadership and a report by the U.S. Chamber's bipartisan commission on capital market competitiveness. All have called for an overhaul of the nation's 135-year-old system for insurance regulation.

Chairman Kanjorski's proposal is similar to a plan in the Treasury Department's Blueprint which would establish the Office of Insurance Oversight as an intermediate step on the road to building a world-class federal insurance regulator as envisioned in Bean and Royce's National Insurance Act.

"I commend Chairman Kanjorski's leadership on introducing legislation to establish an Office of Insurance Information," Bean said. "Our current system puts the United States at a disadvantage in the global marketplace. This plan is a good first step to reforming our insurance regulatory system to preserve American competitiveness.

"A bipartisan consensus is emerging that our insurers need the same strong voice that our banks have had for decades," Bean said.

"I commend Chairman Kanjorski for his continued leadership on this issue. The competitiveness of our insurance sector will continue to suffer until we establish a regulatory

alternative to the tangled bureaucratic web of state-based insurance regulators,” Royce said.

"Creating an Office of Insurance Information within the Treasury Department would establish a voice within the federal government with the authority to negotiate with regulators around the world on issues vital to American consumers and insurance providers. This proposal moves us one step closer to establishing an optional federal charter for insurance - which has been called for by every major report on U.S. competitiveness issued in the last two years,” Royce said.

In July of 2007, Bean and Royce introduced H.R. 3200, the National Insurance Act, which would establish an optional federal insurance charter in the United States. H.R. 3200 is a companion bill to legislation introduced earlier in the 110th Congress by Senators John Sununu (R-NH) and Tim Johnson (D-SD).

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